

Message Text

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PAGE 01 SEOUL 02476 280847Z
ACTION EA-09

INFO OCT-01 NEA-10 ISO-00 EB-08 COME-00 TRSE-00
CIAE-00 INR-07 NSAE-00 PM-04 NSC-05 SP-02 SS-15
DODE-00 AID-05 /066 W
-----280857Z 005618 /21

R 280833Z MAR 77
FM AMEMBASSY SEOUL
TO SECSTATE WASHDC 2895
INFO AMEMBASSY JIDDA
AMEMBASSY NEW DELHI
AMEMBASSY TAIPEI
AMCONSUL DHAHRAN

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EO 11652: N/A
TAGS: BENC, ECRE, SA, US, KS
SUBJECT: SAG AWARDS ASIR POWER PROJECT TO KOREA

REF: JIDDA 2047

SUMMARY: ACCORDING TO KOREA ELECTRIC COMPANY (KECO)
OFFICIALS WHO RECEIVED THE PLANS FOR THE ASIR POWER
PROJECT WHICH WERE WITHDRAWN FROM THE JAPANESE BIDDER
AND PRESENTED BY DR. AL-GOSAIBI TO ROK MINISTER OF
COMMERCE AND INDUSTRY (MCI) CHANG YIE JOON DURING FORMER'S
VISIT IN MID-MARCH, 1977, HYUNDAI CONSTRUCTION COMPANY
IS PREPARED TO TAKE THE PROJECT FOR \$170 MILLION. END
SUMMARY.

2. IN OFFERING THE ASIR PROJECT TO KOREA, AL-GOSAIBI
INITIALLY INSISTED THAT THE CONTRACT SHOULD BE A
GOVERNMENT TO GOVERNMENT TRANSACTION, BUT THE KOREAN
SIDE DEMURRED AND SUGGESTED THAT KECO (WHICH HAS NO
CONSTRUCTION CAPABILITY), AS A GOVERNMENT-OWNED ENTITY,
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MIGHT SIGN THE CONTRACT WITH HYUNDAI CONSTRUCTION AS
SUBCONTRACTOR.

3. KECO ENGINEERS, WHO REVIEWED THE BID SPECIFICATIONS
(WHICH HAD BEEN PREPARED BY A BRITISH CONSULTANT FIRM)
AT THE REQUEST OF THE MINISTRY OF CONSTRUCTION, CONCLUDED
THAT THE PROJECT INCLUDED "FRILLS" AND A CERTAIN AMOUNT OF

"OVERDESIGNING." BASED ON ELIMINATION OR REDUCTION OF CERTAIN FEATURES, SUCH AS CIRCUIT BREAKERS WHICH THEY BELIEVE TO BE OVERSIZED, THEY CONSIDER THAT HYUNDAI CONSTRUCTION CAN TAKE THE PROJECT AT \$170 MILLION.

4. AL-GOSAIBI AGREED THAT HYUNDAI ALONE COUNLD SIGN THE CONTRACT AFTER KECO HAD SUGGESTED THAT THERE IS ACTUALLY NO ROLE FOR IT TO PLAY IN THE PROJECT.
STERN

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CONSTRUCTION, CONTRACTS, ELECTRIC POWER PLANTS
Control Number: n/a
Copy: SINGLE
Sent Date: 28-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977SEOUL02476
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770105-0621
Format: TEL
From: SEOUL
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770315/aaaaamts.tel
Line Count: 71
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 1566a1b0-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Previous Handling Restrictions: n/a
Reference: 77 JIDDA 2047
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 09-Mar-2005 12:00:00 am
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Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2975682
Secure: OPEN
Status: NATIVE
Subject: SAG AWARDS ASIR POWER PROJECT TO KOREA
TAGS: BENC, ECRE, SA, US, KS, KECO, HYUNDAI CONSTRUCTION CO
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/1566a1b0-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
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